

# DAILY MARKETS OVERVIEW

4 MARCH 2019

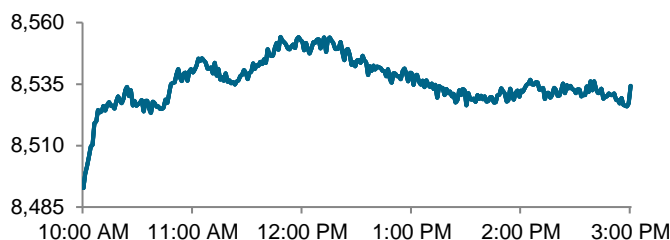
السوق السعودي كابتال

Saudi Fransi Capital

Distinguished Service, Outstanding Performance



## TASI Intraday



Source: Reuters

## Saudi Stock Indices

| Index                          | Last Close | 1 Day % | WTD % | YTD % | PE (TTM) |
|--------------------------------|------------|---------|-------|-------|----------|
| Saudi (TASI)                   | 8,534      | 0.5     | 0.5   | 9.0   | 18.8     |
| Saudi (NOMU)                   | 3,657      | 1.8     | 1.8   | 45.1  | 10.6     |
| Energy                         | 4,665      | 1.5     | 1.5   | -3.8  | 25.4     |
| Materials                      | 5,662      | 0.2     | 0.2   | 7.8   | 18.6     |
| Capital Goods                  | 3,848      | -0.2    | -0.2  | -1.3  | 22.3     |
| Com. & Prof. Svc               | 4,254      | -0.5    | -0.5  | 2.8   | 18.6     |
| Transportation                 | 3,682      | 1.5     | 1.5   | 5.9   | 19.4     |
| Cons. Durables & Apparel       | 3,634      | 0.2     | 0.2   | -0.8  | NA       |
| Consumer Services              | 3,425      | 3.3     | 3.3   | 16.2  | NA       |
| Media                          | 10,212     | -0.1    | -0.1  | 0.3   | NA       |
| Retailing                      | 6,734      | 0.9     | 0.9   | -1.9  | 32.7     |
| Food & Staples Retailing       | 5,667      | 0.5     | 0.5   | -4.7  | 23.0     |
| Food & Beverages               | 4,290      | -0.3    | -0.3  | 10.4  | NA       |
| Health Care Equipment          | 3,779      | 0.4     | 0.4   | 0.6   | 21.7     |
| Pharma, Biotech & Life Science | 3,529      | 0.4     | 0.4   | -9.0  | 24.6     |
| Banks                          | 8,146      | 0.6     | 0.6   | 12.9  | 14.1     |
| Diversified Financials         | 3,667      | 0.7     | 0.7   | 5.4   | NA       |
| Insurance                      | 4,315      | 0.9     | 0.9   | 3.3   | NA       |
| Telecommunication              | 6,022      | 0.6     | 0.6   | 11.4  | 18.4     |
| Utilities                      | 3,658      | -0.1    | -0.1  | 8.6   | 36.6     |
| REITs                          | 3,596      | 0.1     | 0.1   | -0.8  | NA       |
| Real Estate                    | 3,322      | 0.3     | 0.3   | 3.0   | 48.7     |

Sources: Bloomberg, Reuters, Tadawul

## Top 5 Gainers

| Company                              | Last Close | % Change | Value (SAR mn) |
|--------------------------------------|------------|----------|----------------|
| Altayyar Travel Group                | 25.55      | 5.7%     | 137            |
| Saudi Industrial Services Co.        | 12.28      | 5.1%     | 45             |
| Gulf Union Cooperative Insurance Co. | 13.98      | 5.0%     | 1              |
| Batic Investments and Logistics Co.  | 37.35      | 4.2%     | 8              |
| City Cement Co.                      | 10.68      | 3.7%     | 23             |

Source: Tadawul

## Latest Earnings

| Company                             | Date  | Period | Q NI (SAR mn) | Y/Y % | Q EPS (SAR) | Vs. Consensus |
|-------------------------------------|-------|--------|---------------|-------|-------------|---------------|
| Mouwassat Medical Services Company. | 3-Mar | 4Q18   | 85.2          | -13.8 | 0.85        | MISS          |
| City Cement Co.                     | 3-Mar | 4Q18   | 78.6          | 229.7 | 0.42        | NA            |
| Dar Al-Arkan Real Estate Dev.       | 3-Mar | 4Q18   | 32.5          | -89.9 | 0.03        | NA            |
| Saudi Industrial Services Co        | 3-Mar | 4Q18   | 23.0          | 233.3 | 0.28        | NA            |
| Arabian Cement                      | 3-Mar | 4Q18   | 16.4          | -83.1 | 0.16        | NA            |

Source: Tadawul

**NOTES:** (1) Prices as of last trade. Updated as of March 4, 2019  
(2) WTD: Week to Date and YTD: Year to Date

## Saudi Market Update

- TASI closed 0.5% higher at 8,534, while NOMU ended 1.8% higher at 3,657 on Sunday. TASI traded value totaled SAR 2.5bn and averaged SAR 2.4bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 32.8% of the daily traded value.
- Banks and Materials gained 0.6% and 0.2%, respectively. Telecom ended 0.6% higher. Consumer Services (up 3.3%) was the best sector performer. Among stocks, Altayyar Travel Group (1810/ALTAYYAR AB), Saudi Industrial Services Co. (2190/SISCO AB), and Gulf Union Cooperative Insurance Co. (8120/GULFUNI AB) led the gainers.
- The Saudi Arabian Monetary Authority (SAMA) revealed that point-of-sale (POS) transactions in KSA jumped 32% Y/Y to SAR 21.7bn (USD 5.8bn) in January 2019. (Source: Argaam)
- KSA issued transaction advisory services tenders for two railway projects - one linking Yanbu Industrial City and King Abdullah Port in the Red Sea, and other to connect the existing Dammam-Riyadh Line with the Northern Line. (Source: Argaam)
- Saudi Aramco commenced construction works of a manufacturing plant to be built by Halliburton at the ethylene oxide/propylene oxide (EO/PO) cluster of the PlasChem Value Park at Jubail Industrial City II. (Source: Argaam)
- The National Industrialization Co.'s (2060/NIC AB) CEO stated the firm reduced production of titanium dioxide (TiO2) by 4-5% in order to balance supply and demand and maintain the global price. (Source: Argaam)
- Saudi International Petrochemical Co. (2310/SIPCHEM AB) resumed operations at its polybutylene terephthalate (PBT) plant after scheduled maintenance. The relevant financial impact would reflect on 1Q19 earnings. (Source: Argaam)
- City Cement Co.'s (3003/CITYC AB) BoD recommended a cash dividend of SAR 0.4 per share for FY18, implying a full-year yield of 3.8%. (Source: Argaam)
- Arabian Cement Co.'s (3010/ARCCO AB) BoD recommended a cash dividend of SAR 1.0 per share for FY18, implying a full-year yield of 4.0%. (Source: Argaam)

## Top 5 Losers

| Company  | Last Close | % Change | Value (SAR mn) |
|--|------------|----------|----------------|
| Nama Chemicals Co.                               | 26.30      | -3.1%    | 13             |
| AlJazira Mawten REIT Fund                        | 13.00      | -1.7%    | 4              |
| Malath Cooperative Insurance and Reinsurance Co. | 11.80      | -1.5%    | 21             |
| MetLife AIG ANB Cooperative Insurance Co.        | 21.64      | -1.5%    | 3              |
| Amana Cooperative Insurance Co.                  | 13.82      | -1.3%    | 91             |

## Most Active Stocks by Value (SAR mn)

| Company                      | Last Close | % Change | Value (SAR mn) |
|------------------------------|------------|----------|----------------|
| Saudi Basic Industries Corp. | 122.40     | 0.0%     | 257            |
| Al Rajhi Bank                | 100.80     | 0.4%     | 168            |
| Etihad Etisalat Co.          | 20.28      | 2.1%     | 138            |
| Altayyar Travel Group        | 25.55      | 5.7%     | 137            |
| Alinma Bank                  | 24.24      | 0.4%     | 134            |

Source: Tadawul

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## GCC Stock Indices

| Index           | Last Close | 1 Day % | WTD % | YTD % | PE (TTM) |
|-----------------|------------|---------|-------|-------|----------|
| Dubai (DFM)     | 2,642      | 0.2     | 0.2   | 4.5   | 8.4      |
| Abu Dhabi (ADX) | 5,120      | -0.3    | -0.3  | 4.2   | 14.3     |
| Kuwait (KSE)    | 5,234      | 0.1     | 0.1   | 0.9   | 17.4     |
| Qatar (QE)      | 10,112     | 0.0     | 0.0   | -1.8  | 14.1     |
| Oman (MSM)      | 4,138      | -0.2    | -0.2  | -4.3  | 8.6      |
| Bahrain (BSE)   | 1,417      | 0.3     | 0.3   | 6.0   | 9.1      |
| DJMENA Index    | 589        | 0.3     | 0.3   | 5.8   | NA       |

Source: Bloomberg, Reuters

## Global Stock Indices

| Index                 | Last Close | 1 Day % | WTD % | YTD % | PE (TTM) |
|-----------------------|------------|---------|-------|-------|----------|
| US (S&P 500)          | 2,804      | 0.7     | 0.4   | 11.8  | 18.4     |
| US (NASDAQ 100)       | 7,595      | 0.8     | 0.9   | 14.5  | 21.3     |
| UK (FTSE 100)         | 7,107      | 0.5     | -1.0  | 5.6   | 15.5     |
| Germany (DAX)         | 11,602     | 0.7     | 1.3   | 9.9   | 14.3     |
| France (CAC 40)       | 5,265      | 0.5     | 0.9   | 11.3  | 17.6     |
| Russia (MICEX)        | 2,478      | -0.3    | -0.4  | 4.6   | 5.3      |
| Japan (Nikkei)        | 21,603     | 1.0     | 0.8   | 7.9   | 15.9     |
| Hong Kong (HSI)       | 28,812     | 0.6     | 0.0   | 11.5  | 10.9     |
| South Korea (KOSPI)   | 2,195      | 0.0     | -1.6  | 7.6   | 10.8     |
| China (SHCOMP)        | 2,994      | 1.8     | 6.8   | 20.1  | 13.9     |
| India (NIFTY)         | 10,864     | 0.7     | 0.7   | 0.0   | 24.3     |
| Brazil (IBOV)         | 94,604     | -1.0    | -3.4  | 7.6   | 20.4     |
| Turkey (BIST 100)     | 1,03,267   | -1.2    | 0.1   | 13.1  | 7.2      |
| Egypt (EGX30)         | 14,804     | 0.0     | -2.3  | 13.6  | 39.4     |
| MSCI Emerging Markets | 1,052      | 0.1     | -0.7  | 8.9   | 12.8     |
| MSCI World            | 2,096      | 0.5     | 0.4   | 11.3  | 17.2     |

Source: Bloomberg, Reuters

## Commodities Prices

| Index                  | Last Close | 1 Day % | WTD % | YTD % | 1 Year % |
|------------------------|------------|---------|-------|-------|----------|
| Brent Crude (\$/bbl)   | 65.1       | -1.5    | -3.1  | 20.9  | 1.9      |
| Natural Gas (\$/mmbtu) | 2.9        | 1.7     | 5.2   | -2.8  | 7.5      |
| Gold (\$/oz)           | 1,293      | -1.5    | -2.6  | 0.9   | -1.8     |
| Silver (\$/oz)         | 15.2       | -2.6    | -4.5  | -1.9  | -7.6     |
| Platinum (\$/oz)       | 860        | -1.2    | 2.0   | 8.0   | -11.1    |
| Copper (\$/t)          | 6,525      | -0.5    | 0.1   | 9.7   | -5.2     |
| Zinc (\$/t)            | 2,822      | 0.3     | 2.9   | 12.0  | -17.4    |
| Lead (\$/mt)           | 2,153      | -0.1    | 4.5   | 7.1   | -12.4    |
| Wheat (\$/bu)          | 457        | -0.5    | -7.0  | -9.1  | -20.5    |
| Corn (\$/bu)           | 373        | 0.6     | -3.0  | -0.5  | -10.3    |
| Sugar (\$/lb)          | 12.6       | -1.3    | -5.1  | 4.9   | -14.8    |

Source: Bloomberg

## Interest Rate Watch (3M Interbank Offer Rate, %)

| Country      | Last Close | 1 Day Change | YTD Change | Spread* |
|--------------|------------|--------------|------------|---------|
| US           | 2.60       | -0.02        | -0.21      | 0.00    |
| Saudi Arabia | 2.91       | 0.00         | -0.07      | 0.31    |
| UAE          | 2.80       | -0.07        | -0.04      | 0.20    |
| Kuwait       | 2.63       | 0.00         | 0.31       | 0.03    |
| Qatar        | 2.91       | 0.00         | 0.01       | 0.31    |
| Bahrain      | 3.90       | 0.00         | -0.05      | 1.30    |

Source: Reuters

NOTES: (1) Prices updated as of March 4, 2019 (2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, \*Spread = US 3M Rate - Country 3M Rate

## GCC & Global Markets Update

- Global markets were closed for trading on Sunday.
- Asian markets are trading in the green on Monday. China is up 2.6%. Japan and South Korea are trading 1.1% and 0.2% higher, respectively. Hong Kong is up 1.2% while India is closed for trading.
- GCC markets ended mixed on Sunday. Dubai gained 0.2% while Abu Dhabi declined 0.3%. Kuwait ended 0.1% higher while Qatar was closed for trading. Oman declined 0.2% while Bahrain ended 0.3% higher.
- The UAE's Federal Competitiveness and Statistics Authority revealed the contribution of the SME sector to the UAE's GDP is estimated at 53%, up from about 49% in 2018. The federal government aims to increase this rate to around 60% by 2021, underscoring the importance of this contribution in supporting the country's economic diversification. (Source: Zawya)
- Oman announced the establishment of a new National Centre for Employment (NCE), a plan to replace expats with Omanis in various sectors. (Source: Arabian Business)
- Dubai Airport Freezone Authority (Dafza) announced that its non-oil foreign trade hit AED 146bn (USD 39.7bn) in 2018, up 62% Y/Y. Its contribution to Dubai's non-oil foreign trade was put at 11.0% compared to 7.0% the year before. (Source: Trade Arabia)
- The Dubai government has rolled out five initiatives, aimed at supporting small and medium enterprises and public-private partnerships, in addition to allocating AED 1.0bn (USD 272mn) worth of projects for government-private partnerships (Source: The National)
- Kuwait is planning to create a USD 10.0bn (KWD 3.0bn) fund with China to invest in the two countries. The Gulf state is discussing the creation of a Kuwait-China Silk Road Fund that would invest in Kuwaiti projects related to the Silk City and islands development. It could also be used for strategic investments in China. (Source: Trade Arabia)
- Approval has been granted to Dubai's Silk Road strategy. The strategy comprises nine initiatives and 33 projects that will see the collaboration of Emirates, Dubai Airports, Dubai South, Dubai Free Zones (DFZ) Council, Dubai Maritime City Authority (DMCA), Dubai Roads and Transport Authority, DP World, Dubai Municipality and Jebel Ali Free Zone. (Source: Arabian Business)
- Bahrain's Manara Developments announced the commencement of the second phase of Investment Gateway - Bahrain, the country's biggest freehold project for light industries. The second phase of the project spans over 23mn square feet, with the overall development covering 29mn sqft. (Source: Zawya)

## Coming Up

- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended March 1 (prior: -8.7mn barrels) will be announced on March 6. (Source: Econoday)
- US jobless claims for the week ended March 2 (prior: 225K) will be announced on March 7. (Source: Econoday)
- Change in China's CPI for February 2019 (prior: 0.5% M/M, 1.7% Y/Y) will be announced on March 8. (Source: Econoday)



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